

# **Organized Collection in Bloomington**

## **Frequently Asked Questions**

Bloomington has received many comments and phone calls regarding the possibility of organized collection in Bloomington. Currently, Bloomington has an Open Collection system where homeowners contract directly with one of seven licensed haulers. In an Organized Collection system, the City contracts with the haulers and charge a uniform rate to homeowners as part of their utility bill.

A public hearing will be held on **June 1, 2015 beginning at 7PM in the Council Chambers, at 1800 West Old Shakopee Road**. At this public hearing, all interested parties will be given an opportunity to address the City Council regarding the proposed organized collection system. It is anticipated that the City Council will not make a final decision on June 1, 2015. Rather, they will collect public input and place this item on a future regular City Council agenda for consideration – as early as June 22, 2015.

The following set of FAQ's covers many of the issues and questions raised to date regarding organized collection in Bloomington.

### ***How can I express my opinions regarding the proposed organized collection system?***

The City's consideration of organized collection has been discussed for several years and has been the subject of numerous media articles. In addition, it has been published in the Briefing Newsletter, posted on the City's website. Notices have been published in the local paper and sent via e-mail to those that have signed up for E-Subscribe. These communication efforts have resulted in a large number of phone calls, e-mails and letters to the City that represent a wide range of positions regarding organized collection. This full body of correspondence has been shared with the City Council and has provided them a good understanding of the issues.

In addition to the testimony that will be collected at the June 1, 2015 public hearing, the City continues to collect input via phone, e-mail or writing. Public input is welcome in whatever form is most convenient for individuals.

Phone Number: 952-563-8730  
Email: [jgates@bloomingtonmn.gov](mailto:jgates@bloomingtonmn.gov)  
Address: 1700 W. 98<sup>th</sup> St.  
Bloomington, Mn. 55431

### ***What is the timeline for implementing organized collection?***

A public hearing will be held on June 1, 2015 to gather additional public input regarding the proposed change. It is anticipated that the City Council will consider approving organized collection in June – as early as June 22, 2015. If approved, a detailed contract would be negotiated with the existing haulers and existing ordinances would be modified to allow organized collection over the summer and early fall. Additional implementation steps would be taken in anticipation of organized collection service beginning in the spring of 2016 – approximately April 1, 2016.

***Who would be required to participate in organized collection?***

If approved by the City Council, all single family residential properties and townhomes where individual units currently contract independently for trash service will be required to participate in organized collection. Commercial and industrial properties, apartment complexes and townhomes where trash services are currently contracted for by the association are not proposed to be included.

***What will I be charged for Solid Waste Services under an Organized Collection system?***

The following prices are anticipated based on the current proposal from existing haulers. These prices may be adjusted to reflect increased disposal costs charged by Hennepin County and contract price increases to the haulers for collection – approximately 1% per year.

**Haulers' Proposal Summary**  
(\$ per month per household.  
(Includes current taxes and City billing/administration)

Trash Cart Size*	Trash	Recycling (Every other week)	Total
Small, every other week (30 to 38 gallon trash cart)	\$8.81	\$5.67	\$14.48
Small, weekly (30 to 38 gallon trash cart)	\$9.29	\$5.67	\$14.96
Medium, weekly (60 to 68 gallon trash cart)	\$12.26	\$5.67	\$17.93
Large, weekly (90 to 98 gallon trash cart)	\$15.22	\$5.67	\$20.89
Average proposed rate (Based on weighted average by cart size)			\$18.49

**a) Recycling**

The proposed base recycling price is \$5.67 per household per month for a large recycling cart picked-up every other week. If a household overflows the provided large recycling cart on a regular basis, an additional recycling cart will be provided at no additional charge.

**b) Yard waste subscription service**

Similar to the current open hauling system, not all households desire or need yard waste collection service. Under the proposed organized collection system, yard waste collection would continue to be an optional, subscription service and each household would elect to sign up or not. The proposed rate for yard waste service is \$6.63 per household per month and includes a separate yard waste cart. The current average rate for yard waste in Bloomington is \$7.45 per household per month.

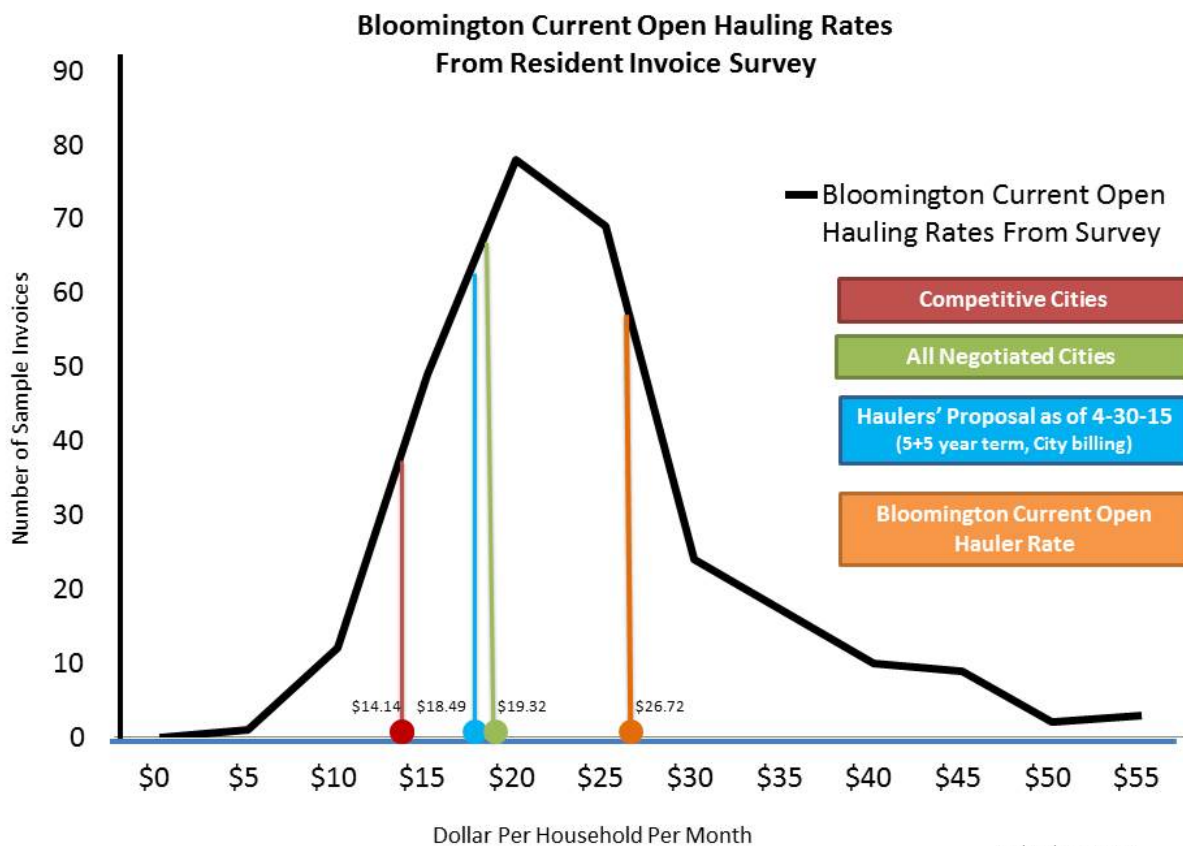
**c) Additional subscription services for bulky and electronic waste**

The proposed system provides for collection of special bulky items and electronic waste on an on-call basis. Costs for the collection of these items will be available.

### ***How do these prices compare to the prices paid by others?***

To compare Bloomington's current open hauling rates, the City collected invoices from 275 Bloomington residents who voluntarily submitted their actual household invoices for analysis. In addition, rates were collected from other communities in the Twin Cities that are organized – either thru a competitive process or through a negotiated contract. The following histogram shows the distribution of prices currently paid in Bloomington based on the 275 person survey. The vertical lines show various comparison prices. The blue line, \$18.49, is the weighted average price to be paid under the proposed organized collection system. Note that this is approximately 30% less than the average price currently being paid in Bloomington, \$26.72, which is shown in orange. These rates include weekly trash collection, bi-weekly recycling, appropriate taxes, and estimated City billing/administration charges

### **Histogram of Solid Waste Collection Rates**

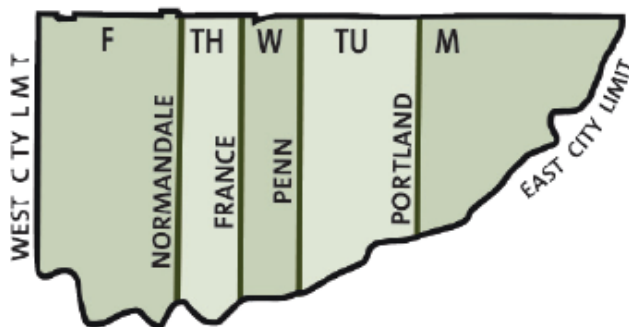


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***When will my trash be collected with organized collection?***

Currently, collection day in Bloomington is limited to one day each week based on location. With organized collection, this schedule will not change.

**Bloomington Hauling Districts**



***What will happen to the Citywide Spring Curbside Cleanup program ?***

The Citywide Curbside Cleanup program will continue much the same as it has been offered in the past.

Bloomington has an existing contract for the Citywide Curbside Cleanup Program for 2015 and 2016. The Haulers have proposed to continue the Citywide Cleanup Program beginning in 2017 and extend the same program at a fixed cost until the end the proposed contract. The rate for this contract will be at a less expensive cost than what each household will pay for 2015 and 2016. The present rate is \$2.55 per household per month for 2015 and 2016. The Haulers' proposal will be \$2.30 per household per month in 2017.

***Will organics collection be offered under organized collection?***

Organics, that portion of our trash consisting of food waste and other compostable items, is the next largest component of our trash that is recyclable. Many agencies are proposing regulations that will require communities to remove organics from the waste stream in the future.

The proposal from existing haulers includes an option for citywide organics recycling service. If this option is accepted by the City Council, this weekly service would be provided at \$2.00 per household per month for all 26,000 residential customers. This is in addition to the rates outlined above. If residents elect to subscribe for the service, their household would receive a supply of special, extra-strong, compostable organics bags. Residents would place their separated organics in the compostable bags and then place these bags of organics inside their regular trash cart each week.

***Will there be fewer trucks on collection day with Organized Collection?***

Presently there are 7 residential licensed haulers in the City. To service a household, each hauler uses up to 3 trucks – 1 each for trash, recycling and yard waste. So, there is the potential for up to 21 trucks on a given street on collection day. A typical neighborhood is served by 4 haulers. So, a typical household experiences 12 trucks on collection day. With organized collection, only 1 hauler would provide service on a given street. Thus, the number of trucks on collection day would be reduced to 3.

***How much pavement damage do garbage trucks cause?***

Heavy trucks have a significant impact on roadways. Engineering design manuals estimate that a single fully loaded garbage truck has the same roadway impact as 1,000 to 1,500 standard automobiles. Actual pavement performance is influenced by a number of factors including traffic type and weight, pavement construction, soil type and environmental factors. While it is difficult to accurately predict the impact of garbage trucks on a given street's expected life, it is commonly understood that fewer garbage trucks will extend the service life of our streets.

***Will organized collection put existing Bloomington licensed Haulers out of business?***

As proposed, organized collection would be accomplished thru a contract with a consortium of existing haulers. Each hauler would serve the same number of households they currently serve. Their current market share would not change. However routes would be re-designed so that only one hauler would serve a given neighborhood. Therefore, households may or may not end up with their current hauler.

***What are some of the most commonly stated advantages of Organized Collection?***

- The number of trucks on residential streets can be significantly reduced which reduces the disruption and improves perceived safety on trash day as well as reduces the amount of damage to local streets and reduces emissions associated with trash collection.
- As proposed, service would be provided by the haulers currently serving Bloomington – many of which have been providing good service to our community for decades.
- On average, Bloomington residents would save approximately \$8.23 per household per month in total costs for trash and recycling services. At 26,000 households, this represents a savings of \$2.6 million per year and about \$12.8 million over five years. Of course, not everyone is paying the "average" rate currently. Some residents would pay more under the negotiated proposal, but the majority of residents would pay less.
- Assuming that about 50 percent of households subscribe to yard waste collection service, the proposed new yard waste rate of \$6.63/HH/month represents a savings, on average, of \$128,000 per year citywide.
- The same Citywide Curbside Cleanup service would continue each spring under the proposed organized collection system. The negotiated proposal represents a savings of about \$180,000 per year compared to current costs.

***What are some of the most commonly stated reasons not to go to organized collection?***

- *Lack of a personal hauler choice:* Many have expressed their support for the free market and an individual's right to choose their own garbage hauler.
- *Retain one's ability to negotiate the best price:* While, on average, the price paid by Bloomington residents would be reduced by approximately 30%, some residents have been able to negotiate prices that are lower than the proposed organized collection rates. Under organized collection, residents would no longer have the ability to negotiate rates directly.
- *Increased Government Control/Inability to manage costs:* Some believe that a free enterprise - open hauling system is inherently better than the proposed government managed organized collection system. Some feel that government should not be trusted to manage trash removal and that prices will skyrocket under organized collection.

- *Organized Collection may stifle innovation:* Some feel that removing competition from the service delivery model will also remove incentives for the industry to innovate.
- *Customer service will degrade with Organized Collection.* Because individual homeowners will not have the ability to change haulers, some feel that they will lose direct control over the level of customer service they receive.